



State of New Jersey

Chris Christie
Governor

Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
P.O. Box 047
Trenton, NJ 08625-0047

Jeffrey S. Chiesa
Attorney General

Kim Guadagno
Lt. Governor

David Rebuck
Director

May 10, 2013

Kelly Suhr, Esq.
Staff Attorney
Legal Department
C/O Bally's Atlantic City Hotel and Casino
Park Place and The Boardwalk
Atlantic City, NJ 08401

RE: Electronic Check Acceptance; Electronic Cash Access; Waiver of Regulations

Dear Ms. Suhr:

By request to the Division of Gaming Enforcement ("Division") dated April 17, 2013, Caesars Entertainment seeks a waiver of certain sections of *N.J.A.C. 13:69D-1.18C* and *-1.25* in order to utilize an electronic check cashing system and an electronic system to obtain cash in exchange for presentation of a credit card or debit card. This waiver is sought for all for operating companies which will be referred to collectively as the AC Operating Properties.

With regard to check cashing procedures, the AC Operating Properties wish to be able to cash personal checks for patrons of up to \$5000.00 using a third party vendor called Certegy. The AC Operating Properties are permitted by *N.J.S.A. 5:12-101h* to cash personal checks within the casino for purposes of allowing the patron to engage in gaming activity so long as no more than \$5000.00 in total is outstanding at any time. The casino is also required to have internal controls to permit such check cashing and to comply with certain other requirements.

The additional requirements which must be complied with pursuant to the statute (and pursuant to *N.J.A.C. 13:69D-1.25*, which includes the same requirements) are that the



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check: must be drawn on the patron's bank or brokerage management account; be for a specific amount; made payable to the casino licensee; is dated but not post-dated; and must be restrictively endorsed as being "For Deposit Only."

The AC Operating Properties propose to use a third party vendor to convert the patron's check into an electronic transaction. Once the patron has provided access to his or her account, the patron will not need to issue a paper check. The vendor will transmit the information electronically to the patron's bank for collection and will pay the appropriate casino the amount of the check. Should the check bounce, the vendor and not the casino will have to undertake collection efforts. The AC Operating Properties pay the vendor a fee for this service. The check is not dated or endorsed as there is no check.

The Division recognizes that modern banking technology has outpaced the requirements of the statute and the regulations. Electronic rather than paper transactions are now the norm. The procedure proposed by the AC Operating Properties fully complies with the security precautions intended by the statute and regulations. Accordingly, the Division exercises its authority pursuant to *N.J.S.A. 5:12-75* and *-76* to grant the request of Caesars Entertainment to proceed with the proposed electronic check cashing procedures. The AC Operating Properties may proceed with the system pursuant to internal controls it will create in conformity with the regulations and the relief granted herein.

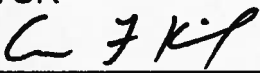
With regard to patrons obtaining cash on the casino floor in exchange for a credit or debit card, such transactions are governed by temporary regulation *N.J.A.C. 13:69D-1.18C*, effective January 29, 2013. Caesars Entertainment indicates it wants a waiver of the regulation's requirement of a three part form because the negotiable draft is electronic. Accordingly, a two part form is used. The position of the Division is that the electronic draft is the third part of the three part form and accordingly, the four AC Operating Properties would be in full compliance with the regulation by using a two part form and an electronic draft. According, no waiver of the regulation is required. This request is therefore dismissed as unnecessary.

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In summary, Caesars Entertainment's request for a waiver of *N.J.A.C. 13:69D-1.25* is granted. The request for a waiver of *N.J.A.C. 13:69D-1.18C* is not required.

Respectfully submitted,

DAVID REBUCK
DIRECTOR

By: 
Charles F. Kimmel
Deputy Attorney General

CFK

c: Marybeth Butler, DGE
Tadd Hansen, DGE